

Minutes of the Finance Committee

Wednesday, June 22, 2011

Chair Haukohl called the meeting to order at 8:30 a.m.

Present: Supervisors Pat Haukohl (Chair), Pamela Meyer, Rob Hutton, Ted Rolfs, Bill Zaborowski, and Dave Falstad. Hutton left the meeting at 10:55 a.m. **Absent:** Jim Heinrich.

Also Present: Chief of Staff Mark Mader, Emergency Management Coordinator Bill Stolte, Labor Relations Manager Jim Richter, Administration Director Norm Cummings, Accounting Services Manager Larry Dahl, Community Development Coordinator Glen Lewinski; Senior Financial Analysts Vince Masterson, Clara Daniels, and Bill Duckwitz; Sheriff Dan Trawicki, Inspector Steve Marks, Business Manager Lyndsay Johnson, Deputy Inspector Eric Severson, Jail Administrator Mike Giese, Waukesha Metro Transit Director Bob Johnson, Waukesha Metro Transit Deputy Director Andrew Johnson, Wisconsin Coachlines Vice President Tom Dieckelman, Public Works Director Allison Bussler, Business Manager Betsy Crosswaite, Budget Manager Keith Swartz, and Airport Manager Keith Markano. Recorded by Mary Pedersen, Legislative Associate.

Approve Minutes of 6-8-11

MOTION: Zaborowski moved, second by Meyer to approve the minutes of June 8th. Motion carried 6-0.

Schedule Next Meeting Dates

- June 28th at 6:15 p.m.
- July 6th at 8:30 a.m.

Chair's Executive Committee Report of 6-20-11

Haukohl highlighted the following items from the last Executive Committee meeting.

- Approved several ordinances and appointments that were included in the last set of County Board referrals.
- Heard standing committee reports. The bill for having Waukesha County Sheriff personnel at the State Capitol during budget negotiations was \$123,000 and we have not been paid yet.
- Heard a report on the Central Fleet audit which showed they are conducting business well. It was a positive audit. Haukohl had expressed concerns with computer cross-training issues.

Ordinance 166-O-026: Accept Homeland Security-Urban Area Security Initiative FFY2010 Program Funding And Modify The Emergency Preparedness 2011 Budget To Appropriate Grant Revenues And Expenditures For Purchase Of An Emergency Power Generator For The 2-1-1- First Call For Help Facility

Stolte explained this ordinance as outlined which involves accepting a \$30,000 federal grant to purchase emergency power generation equipment for the Waukesha County Mental Health Association (MHA) for its 2-1-1 First Call For Help facility. The County will act as the pass-through agency and the equipment will become property of the MHA. Any repair and maintenance costs will be the responsibility of the MHA.

MOTION: Zaborowski moved, second by Falstad to approve Ordinance 166-O-026. Motion carried 6-0.

Ordinance 166-O-019: Approve Reorganization Of Tax Listing Function

Richter referred to a recent study which recommends the Register of Deeds tax listing function be transferred to the Department of Administration Business Office. Besides the transfer, this ordinance includes creating one FTE Program Assistant (assumed to be filled beginning mid-year 2011) and abolishing one FTE vacant Real Property Tax Lister position resulting in an estimated net savings of \$47,400 in 2011 and \$17,100 in 2012.

Richter explained that besides cost savings, operational efficiencies will result. The new tax system will soon be finalized and tax listing is a key part of that system, requiring various interfaces. Richter went on to discuss additional duties and responsibilities of the new position. Physically, this position, as well as the other tax listing personnel, will remain in the Register of Deeds Office. To answer Haukohl's question, Cummings said cross-training will be conducted in the event the person accepting the position were to leave County employment.

MOTION: Falstad moved, second by Zaborowski to approve Ordinance 166-O-019. Motion carried 6-0.

Ordinance 166-O-030: Authorize The Repayment Of Home Program Funding To The U.S. Department Of Housing And Urban Development

Lewinski, Cummings, and Dahl were present to discuss this ordinance which authorizes the repayment of \$300,450 to HUD of funds previously advanced for a low and moderate income housing project to be built and operated by the Hebron House of Hospitality. The funds were to be used to purchase a property in the City of Waukesha. Subsequently, Hebron House was unable to secure construction financing and HUD has notified the County that the funds must be returned. The County's contract with Hebron House requires repayment in the event construction does not proceed and the County holds a mortgage on the property.

Cummings indicated the property is now worth about half of what Hebron House paid for it. The County has notified Hebron House that repayment in full is required although Cummings said the County is the responsible party. Hebron House is prepared to work with us and return the money to the County. Lewinski advised there is no question this was done incorrectly. Cummings indicated things will be done differently in the future to ensure this does not happen again including better fiscal and legal reviews for these types of projects. Cummings was confident we would receive at least some of the money before the end of the year and he will keep the committee updated.

MOTION: Zaborowski moved, second by Meyer to approve Ordinance 166-O-030. Motion carried 6-0.

Ordinance 166-O-029: Modify The County Clerk 2011 Budget Wisconsin Supreme Court Election Recount Costs

Cummings reviewed this ordinance which involves transferring \$125,200 from the County's Contingency Fund to the County Clerk's budget to cover costs related to the Wisconsin Supreme Court election recount. This includes \$22,600 for salary per diems for tabulators and Board of Canvass officials; \$3,700 for County Clerk staff overtime/temporary extra help costs; \$55,500 for contracted services (Chairman of Board of Canvassers/elections consultant); \$24,700 for contracted

court reporter/transcript services; \$5,900 for tabulator/Board of Canvass mileage reimbursement/meal costs; and \$12,800 for Sheriff security and screening costs.

Cummings praised the work of former Circuit Court Judge Mawdsley who acted as Chairman of the Board of Canvassers during the recount. Falstad, who witnessed portions of the recount process, agreed. Rolfs felt the County Clerk should be responsible for paying these costs. Cummings said regardless, the funds come from the taxpayers, plus she has a very small budget.

MOTION: Falstad moved, second by Zaborowski to approve Ordinance 166-O-029. Motion carried 5-1. Rolfs voted no.

Ordinance 166-O-027: Expenditure Of Seized Funds – Amend The 2011 Sheriff's Department Budget For Multiple Purchases

Trawicki explained this ordinance which involves using a maximum of \$66,817 in seized funds to purchase 30 Pro Masks, uniform items and medical bags for the Tactical Unit, recording equipment for interrogation rooms, evidence cameras for the Detective Unit, safety clothing for the Motorcycle Unit, Dive Team tools, tactical body armor, two traffic data collectors, four dive suits, buoyancy compensators for the Dive Team, cameras for the jail, and installation of cameras/providing power/miscellaneous programming. The seized fund balance, including the \$66,817, totals \$194,728.

MOTION: Falstad moved, second by Hutton to approve Ordinance 166-O-027. Motion carried 6-0.

Fund Transfer 11-203195-01: Sheriff's Department – Transfer Funds from Operating Expenses to Fixed Assets

Trawicki said the department's 2011 replacement plan included \$10,000 to purchase a dryer for the Huber facility. Instead, the Facilities Division replaced both electric dryers at Huber due to age and disrepair. Therefore, they want to use the \$10,000 to purchase two replacement washing machines, also due to age and disrepair. They are requesting a transfer of \$8,500 to cover the full cost of the two machines, estimated at \$18,500.

MOTION: Hutton moved, second by Meyer to approve Fund Transfer 11-203195-01, Sheriff's Department. Motion carried 6-0.

Annual Report on Transit Routes and Contracts with the City of Waukesha

Bussler, Crosswaite, A. Johnson, and B. Johnson were present to discuss this item as outlined in their report for the year ending December 31, 2010. A. Johnson advised that Route 1 Extension (Brookfield Square) is one of the stronger performing routes and experienced a ridership increase of 4.8% in 2010 from 2009. Route 10 Extension (Brookfield Square to Bayshore mall) is also a very strong performer and total rides increased 3.0% in 2010. The increases for both routes are primarily due to economic growth (lower paid job growth) and the demographics they serve. Route 79 (Appleton Avenue/Menomonee Falls) saw a ridership decrease of 6.9%. This is the only bus service in the northeast part of the county. This route primarily serves professional workers and these jobs have not increased like the lower paid jobs. Route 901/904/905 (904/905 goes from Lake Country into Milwaukee County and 901 goes from Waukesha to downtown Milwaukee/UWM) has been a good performer but saw a decrease in ridership of 3.3%. This is not a peak service commuter route and instead runs all day. It is well utilized with a total of 191,602 riders in 2010. Route 901 Paratransit serves the physically disabled and takes a route similar to 901. It is well used

but total ridership decreased 10.6% and they are unsure why. The City of Waukesha saw similar decreases for this demographic. However, it costs taxpayers less money to provide this service if fewer people are riding it. Route 906 (Mukwonago to downtown Milwaukee) carries a little more than 24 people per hour. Ridership has remained flat and there was a decrease of 1.9%. A. Johnson noted that the riders are fiercely protective of this route. Route 218 (New Berlin industrial park) was eliminated in November, 2010 and was by far the lowest performing route with a decrease in ridership of 19.3%.

Overall, there was a 0.6% decline in ridership due to the tough economy and they hope 2011 will bring increased ridership, primarily due to increased gas prices. The operating investment increased 4.4% due to fuel clause adjustments and contracted rate increases. Operating expenses increased 2.8% and operating revenues decreased 2.2%.

Regarding the van pool program, A. Johnson advised brochures are being finalized and will be sent to all area chambers of commerce and their marketing director is currently in contact with them. They hope to meet with Waukesha Electric this week as they are interested in a van pool. A. Johnson said this is a matter of getting that first group in and offering incentives to fill the vans. He noted that van pools involve a myriad of federal reporting requirements which are more “mind-boggling” than anticipated. To answer Haukoehl’s question, there are a total of eight vans. Once the brochures are complete one will be posted on the County’s intranet. Staff will work diligently to advertise this service throughout the county.

MOTION: Zaborowski moved, second by Falstad to accept the 2010 annual transit report. Motion carried 6-0.

Hutton left the meeting at 10:55 a.m.

Ordinance 166-O-023: Modify 2011 Airport Operating Budget For Appraisals Of Century Fence Property

Markano explained this ordinance which involves appropriating \$20,000 of fund balance to obtain an appraisal of an adjacent property owned by Century Fence. If a price is agreed upon, the County could consider purchasing this property as an alternative to building a new facility for storage of maintenance and snow removal equipment if more cost effective. Capital Project 200703 included \$1,450,000 for that purpose, of which the County share is budgeted at \$290,000 and the Wisconsin Bureau of Aeronautics share is budgeted at \$1,160,000. Sufficient funds are currently available in Airport Fund balance for the \$20,000 appraisal. In the event a decision is made to acquire the property, the capital project will need to be modified which will require County Board approval.

Markano said the feds have very specific guidelines on appraisals and acquisitions which must be followed in order to receive federal reimbursement. He noted the ordinance is worst-case scenario with regards to the number of appraisals and hopefully we won’t need all three appraisals.

Mader said Chair Dwyer had some concerns with the appraisal process and felt perhaps it should go back to the Executive Committee after the first appraisal as it could alter the capital plan. Dwyer just informed him that under the federal process that may not be possible nor can we amend the amount of money for the appraisals. The underlying policy issue here is are we expanding the Airport and does this help with the expansion. Bussler indicated the Airport Master Plan includes a “wish list” and this property is on that list. This property came up for sale voluntarily. Instead of

acquiring property through eminent domain, this becomes a good time to review it. Currently, storage for airport vehicles is becoming a problem. Some will be stored uncovered without the additional space. The area could be used for future hangar space which would be a revenue source. We also want to control what is put in there and that it be used for purposes conducive to the Airport. To answer Zaborowski's question, Markano said the parcel consists of approximately 8.5 acres and includes 5,900 square feet in building space.

Haukohl felt \$20,000 for the appraisals was too expensive although she felt it was worthwhile to look into this property. Markano said the funds are necessary to receive federal reimbursement, up to 95%. Markano briefly spoke of potential federal funding cuts. Mader asked if the purchase would be contingent on the federal funding coming though. Markano said the Bureau of Aeronautics also has a fund called the Land Loan Program. They would pay 20% of the purchase initially and the rest is funded by the State. Over the next four years, the remainder is paid back at 4% simple interest. At that point, when we have another safety area project, that's the next project which would be funded in 2013. We could get reimbursed at a later date by the State and the feds. Mader said and then we have our internal ROI that would be in contrast to the snow thrower building – the part of the ROI that we usually don't do is the lost property tax levy that comes in to the County and the other municipal jurisdictions. Bussler said they looked at that just as they looked at potential revenues if they were to build so there will be lots of information.

MOTION: Rolfs moved, second by Meyer to approve Ordinance 166-O-023. Motion carried 5-0.

MOTION: Falstad moved, second by Rolfs to adjourn at 11:19 a.m. Motion carried 5-0.

Respectfully submitted,

Pamela Meyer
Secretary